

VZCZCXYZ0000
PP RUEHWEB

DE RUEHLP #1993/01 2602215
ZNY CCCCC ZZH
P 162215Z SEP 08
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 8532
INFO RUEHAC/AMEMBASSY ASUNCION 8343
RUEHBO/AMEMBASSY BOGOTA 5698
RUEHBR/AMEMBASSY BRASILIA 9658
RUEHBU/AMEMBASSY BUENOS AIRES 6875
RUEHCV/AMEMBASSY CARACAS 3951
RUEHPE/AMEMBASSY LIMA 4258
RUEHMN/AMEMBASSY MONTEVIDEO 5775
RUEHQT/AMEMBASSY QUITO 6568
RUEHSG/AMEMBASSY SANTIAGO 1321
RUCNDT/USMISSION USUN NEW YORK 0120
RHEHNSC/NSC WASHINGTON DC
RHMFISS/HQ USSOUTHCOM MIAMI FL
RUEAIIA/CIA WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L LA PAZ 001993

SIPDIS

E.O. 12958: DECL: 09/17/2018
TAGS: [ASEC](#) [BL](#) [KDEM](#) [PGOV](#) [PREL](#)
SUBJECT: WILL EVO/MEDIA LUNA GIVE PEACE A CHANCE?

Classified By: A/EcoPol Chief Brian Quigley for reasons 1.4 (b)(d)

11. (C) Summary: There was a glimmer of hope for a negotiated solution to Bolivia's increasing violent political standoff early September 16, when the government apparently canceled plans to force through legislation calling for a January 25 referendum on a controversial draft constitution and a resolution condemning Pando Prefect (state governor) Leopoldo Fernandez for "genocide." Opposition contacts told us the government was shelving a takeover of Congress pending the outcome of talks with opposition Tarija Prefect Mario Cossio to start a dialogue for a "national pact." However, later in the morning, Fernandez was arrested taken by the military and flown back to La Paz. According to Opposition strategist Javier Flores, a group of about 14 opposition prisoners from the violent September 14 standoff were likewise flown to La Paz in the early morning hours to stand trial for crimes associated with the "massacre." Flores opined that President Morales, buoyed by support from the September 15 emergency meeting of South American presidents (Unasur), was either trying to take the issue of amnesty for opposition prefects off the table or trying to force Cossio to walk away from talks. President Morales' September 16 public statements did not indicate his intentions one way or another, but did characterize Cossio's talks in a positive light, while maintaining that justice demands Fernandez go to trial. End Summary.

Congress Blockade Called Off Pending Negotiation Decision

12. (C) Opposition strategist Javier Flores and opposition Senator Roger Pinto (Podemos, Pando) told PolOff September 16 that the congressional session planned for the afternoon of September 16 has been called off. The sessions would have tried to pass enabling legislation to convoke a January 25 referendum on the controversial draft MAS constitution and a resolution accusing Pando Department Prefect (state governor) Leopoldo Fernandez of genocide. As of 1200 September 16, opposition Senator Roger Pinto (Podemos, Pando) confirmed that MAS leaders had been ordered to cancel the session, but added that militant pro-government Ponchos Rojos militia had surrounded Congress. "They could change their mind of course (and convoke the session), but I think someone just forgot to tell the Ponchos Rojos the blockade was off." Flores said he did not know what the protesters who were called upon to

surround congress and block entrance of opposition congressmen would do now that their main purpose appears to be overcome by events, but that it was probably too late to tell them not to come as many have traveled from the countryside.

13. (C) Flores said the session and encirclement of congress were called off at about 9 a.m. this morning pending a potential breakthrough in negotiations between Tarija Prefect Mario Cossio, representing opposition prefects (CONALDE), and the government, represented principally by Vice Minister of Decentralization Fabian Yaksic, with Vice President Alvaro Garcia Linera and Presidency Minister Juan Ramon Quintana also playing a role. Cossio and Yaksic have drafted an agreement that the opposition prefects have agreed to endorse should President Evo Morales sign it the afternoon of September 16. The agreement would transfer institutions taken by prefect forces back to central government control. Under the draft agreement, the government would agree to shelve the January 25 referendum and put the constitution and distribution of hydrocarbon revenue (IDH) on the negotiation table, although it would not mean an immediate return of IDH funds reallocated by the central government.

14. (C) The negotiation would be moderated by the Catholic Church, likely a small team consisting of the Archbishops of La Paz (leading the group), the Archbishop of El Alto, and one or two others. The agreement to enter into negotiations would be binding and allow the church a "moderator" role with more authority than the "observer" role favored by the government. A role for the Friend's Group of Argentina, Brazil, and Colombia was also being worked out as a secondary mediator, but it was unclear if their role was codified in the agreement's text. The negotiations would take place in La Paz and would result in a "national pact" between CONALDE (with Cossio continuing in the lead role) and the government.

Hope for Peace?

15. (C) Ruben Ardaya, Tarija's Economic Development Secretary, told EmbOff that Cossio (and by virtue CONALDE) is very close to signing a deal with Evo. The agreement would include Evo putting the January 25 constitutional referendum on hold and giving back tax revenues (IDH) to the departments (Note: Conflicts with Flores' account that there would be no immediate return of IDH funds, only that it would be an agenda topic. End Note.) In return CONALDE will turn back over all national offices taken during the protests and lift all blockades (including the gas-rich Chaco region). The proposed agreement also includes establishing two commissions. One would work on the proposed constitution's text and the other would investigate the Pando deaths. International mediators and the Catholic Church would be included in the commissions. Ardaya also hoped that if the agreement is signed, Evo would lift the state of siege in Pando.

Evo Not Showing His Cards

16. (U) Evo's late morning comments September 16 seem to collaborate a potential breakthrough for negotiations. After urging the opposition to respect the will of South American presidents for their support of his government following the Santiago Unasur summit (septel), Morales said, "If the opposition prefects would have heard our calls of dialogue, there would not have been deaths." Morales claimed Cossio was continuing to meet with the Vice President to set the groundwork for a negotiated solution to the political standoff, which he characterized as a positive step. Morales added seeking justice for those responsible for the political violence of the last week was not a personal vendetta for him or his government, but rather necessitated by "respect for the Attorney General." Morales said nothing about plans to push his agenda through congress or about the United States.

Negotiation "Only Option Left"

¶17. (C) Although Flores hopes Evo will agree to the national pact strategy, he was skeptical the "fairy tale" agreement would result in a lasting peace. He said both sides may concede to such a pact, at least to buy time, "because there are no other options that are winners for either side and do not require more Bolivians to die." He said if the government moves forward with plans to declare martial law and retake the Media Luna (opposition-controlled departments) his military will either not comply or overthrow him. Flores said Morales has a draft decree to declare nation-wide martial law during the September 19 to 28 ExpoCruz Fair in Santa Cruz, "when Santa Cruz leaders will be distracted." The decree also includes arrest orders for prefects, civic committee and other opposition political leaders, and business leaders.

This Just In: Governor of Pando Arrested

¶18. (C) Flores called PolOff at 1100 to confirm media reports that Pando Prefect Leopoldo Fernandez was arrested mid-morning in Cobiya and was transferred to La Paz. Flores suspects Morales initiated these unnecessary actions in order to force Cossio to walk away from negotiations or, at a minimum, to take amnesty for opposition prefects off of the agenda. "He waited until after the Unasur conference to make these decisions, and now feels empowered, as if the world is behind him for a harder line."

Comment:

¶19. (C) We share Flores' skepticism. There continues to be a fundamental lack of trust between the principal government and opposition players, the government continues to be reticent to grant power to any third party mediation, and the arrest of Fernandez all point to yet another breakdown in negotiations. Flores told us the Media Luna prefects agreed to hand back the institutions only because they trusted the military to act as kind of neutral arbiter to hold the institutions. Eventually the sides will have to take a leap of faith in each other, which at the moment does not seem likely. As the UK Ambassador told PolOff, "this could very well be a stillborn initiative. Setting an agenda is the easy part." He added that "this potential agenda is the same agenda" that has not gotten off the ground at many previous attempts at dialogue.

¶10. (C) Canceling (or at least postponing) another government takeover of Congress was a positive sign that may very well be wiped out by the arrest of Fernandez. Using the Pando "massacre" as a public relations tool at the Unasur summit worked for the government, although no independent media, international, or human rights organizations are allowed into the area to confirm either side's version of events. Signs and statements of support from international leadership may well embolden Evo to take the "hard line" his base has been clambering for. End Comment.

URS